

## Final Rule

LSA Document #15-166(F)

## DIGEST

Amends [50 IAC 16-3-2](#) concerning amended property tax return forms. Amends [50 IAC 16-4-1](#) concerning amendments prohibited in an amended return. Amends [50 IAC 16-5-1](#) concerning assessing official review of amended personal property returns. Amends [50 IAC 16-6-1](#) to make technical corrections. Adds [50 IAC 16-7.1](#) concerning personal property tax liability and refunds on an amended return. Amends [50 IAC 16-8-1](#) to make technical corrections. Repeals [50 IAC 16-7](#). Effective 30 days after filing with the Publisher.

[50 IAC 16-3-2](#); [50 IAC 16-4-1](#); [50 IAC 16-5-1](#); [50 IAC 16-6-1](#); [50 IAC 16-7](#); [50 IAC 16-7.1](#); [50 IAC 16-8-1](#)

SECTION 1. [50 IAC 16-3-2](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 16-3-2](#) Amended return form****Authority:** [IC 6-1.1-31-10](#)**Affected:** [IC 6-1.1-3-7](#); [IC 6-1.1-3-7.5](#)

Sec. 2. (a) A taxpayer must file the ~~an~~ amended return ~~on the appropriate amendment form prescribed by the state board of tax commissioners.~~ **by completing the return and writing, typing, or otherwise indicating the word "Amended" at the top of the return.** The ~~amendment form~~ **amended return** must be adequately completed and filed with the township assessor **or county assessor (as applicable)** in the same manner as is required for the initial personal property tax return.

(b) ~~If no extension was granted under [IC 6-1.1-3-7](#), an amended return must be filed before November 16 of the year in which the personal property tax return was filed.~~ **For a filing date after May 14, 2011, a taxpayer may file an amended return not more twelve (12) months after the later of the following:**

**(1) May 15, the filing date of the original personal property tax return under [IC 6-1.1-3-7](#).**

**(2) The extension date for the original personal property tax return, if the taxpayer is granted an extension under [IC 6-1.1-3-7](#).**

(c) ~~If an extension was granted under [IC 6-1.1-3-7](#), an amended return must be filed before December 15 of the year in which the personal property tax return was filed.~~

*(Department of Local Government Finance; [50 IAC 16-3-2](#); filed Mar 11, 1999, 5:05 p.m.: 22 IR 2485; filed Apr 27, 2016, 12:41 p.m.: [20160525-IR-050150166FRA](#))*

SECTION 2. [50 IAC 16-4-1](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 16-4-1](#) Prohibited amendments****Authority:** [IC 6-1.1-31-10](#)**Affected:** [IC 6-1.1-3](#)

Sec. 1. (a) ~~A taxpayer may not claim an obsolescence deduction for the first time on an amended return. If no amount of obsolescence was claimed on the initial return under a particular statute or rule in effect at the time of the initial return, no obsolescence deduction may be claimed under that particular statute or rule on the amended return.~~

(b) ~~No exemption can be claimed for the first time on an amendment. If no property is claimed to be exempt under a particular statute or rule on the initial return, no property may be claimed to be exempt under that particular statute or rule on the amended return, and the exemption is waived under [IC 6-1.1-11-1](#).~~

(c) ~~A township assessor, if any, or the county assessor may, as part of the initial review required under [50 IAC 16-5](#), find an amended return defective if, in the discretion of the township assessor, it is evident from the~~

amended return that the original return provided false information intended for the purpose of avoiding taxes.

(Department of Local Government Finance; [50 IAC 16-4-1](#); filed Mar 11, 1999, 5:05 p.m.: 22 IR 2485; filed Apr 27, 2016, 12:41 p.m.: [20160525-IR-050150166FRA](#))

SECTION 3. [50 IAC 16-5-1](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 16-5-1](#) Initial review**

**Authority:** [IC 6-1.1-31-10](#)

**Affected:** [IC 6-1.1-3](#); [IC 6-1.1-15-12](#)

Sec. 1. A township assessor, **if any, or the county assessor** must provide an initial review of all amended returns within ten (10) days of the amended return being filed by the taxpayer. The initial review is for the purpose of verifying that the taxpayer has not made any amendments that ~~are prohibited~~ **result in the assessor finding the return defective** under [50 IAC 16-4](#). ~~If a prohibited amendment is discovered by the township or county assessor~~ **finds the amended return defective**, the township assessor must immediately notify the taxpayer in writing that the amendment is defective and will not be processed. The taxpayer will then have ten (10) days to refile the amendment. If a refiled amendment is found defective, no additional amendments may be filed. If the taxpayer believes that an amendment has been improperly found defective by the township assessor, the taxpayer may petition for a correction of error under [IC 6-1.1-15-12](#).

(Department of Local Government Finance; [50 IAC 16-5-1](#); filed Mar 11, 1999, 5:05 p.m.: 22 IR 2485; filed Apr 27, 2016, 12:41 p.m.: [20160525-IR-050150166FRA](#))

SECTION 4. [50 IAC 16-6-1](#) IS AMENDED TO READ AS FOLLOWS:

**[50 IAC 16-6-1](#) Assessor reports**

**Authority:** [IC 6-1.1-31-10](#)

**Affected:** [IC 6-1.1-3](#)

Sec. 1. (a) If, after the initial review required under [50 IAC 16-5](#), the township **or county** assessor finds that ~~no prohibited claim has been made on the amended return~~ **is not defective**, the township **or county** assessor must report the amended return to the county auditor on forms prescribed by the ~~state board of tax commissioners~~ **department**.

(b) Within ten (10) days of receipt of a report submitted under subsection (a), the county auditor shall reflect the amendments on the auditor's records of assessed valuation.

(Department of Local Government Finance; [50 IAC 16-6-1](#); filed Mar 11, 1999, 5:05 p.m.: 22 IR 2485; filed Apr 27, 2016, 12:41 p.m.: [20160525-IR-050150166FRA](#))

SECTION 5. [50 IAC 16-7.1](#) IS ADDED TO READ AS FOLLOWS:

**Rule 7.1. Reductions**

**[50 IAC 16-7.1-1](#) Reductions and refunds**

**Authority:** [IC 6-1.1-31-10](#)

**Affected:** [IC 6-1.1-3-7](#); [IC 6-1.1-3-7.5](#)

**Sec. 1. (a) A taxpayer is not entitled to interest on the refund if:**

- (1) the taxpayer files an amended personal property tax return under [IC 6-1.1-3-7.5](#) in order to correct an error made by the taxpayer on the taxpayer's original personal property tax return; and**
- (2) the taxpayer is entitled to a refund of personal property taxes paid by the taxpayer under the original personal property tax return.**

**(b) If a taxpayer files an amended personal property tax return for a year before July 16 of that year,**

the taxpayer shall pay taxes payable in the immediately succeeding year based on the assessed value reported on the amended return.

(c) If a taxpayer files an amended personal property tax return after July 15 of that year, the taxpayer shall pay taxes payable in the immediately succeeding year based on the assessed value reported on the taxpayer's original personal property tax return. Subject to subsection (i), a taxpayer that paid taxes under this subsection is entitled to a credit in the amount of taxes paid by the taxpayer on the remainder of:

- (1) the assessed value reported on the taxpayer's original personal property tax return; minus
- (2) the finally determined assessed value that results from the filing of the taxpayer's amended personal property tax return.

Except as provided in subsection (h), the county auditor may apply the credit against the taxpayer's property taxes on personal property payable in the year or years that immediately succeed the year in which the taxes were paid, as applicable. The county is not required to pay interest on any amounts that a taxpayer is entitled to receive as a credit under this section.

(d) The county auditor may carry a credit to which the taxpayer is entitled under subsection (c) forward to the immediately succeeding year or years, as applicable, and use the credit against the taxpayer's property taxes on personal property as follows:

- (1) If the amount of the credit to which the taxpayer is initially entitled under subsection (c) does not exceed twenty-five thousand dollars (\$25,000), the county auditor may carry the credit forward to the year immediately succeeding the year in which the taxes were paid.
- (2) If the amount of the credit to which the taxpayer is initially entitled under subsection (c) exceeds twenty-five thousand dollars (\$25,000), the county auditor may carry the credit forward for not more than three (3) consecutive years immediately succeeding the year in which the taxes were paid.

The credit is reduced each time the credit is applied to the taxpayer's property taxes on personal property in succeeding years by the amount applied.

(e) If an excess credit remains after the credit is applied in the final year to which the credit may be carried forward under subsection (d), the county auditor shall refund to the taxpayer the amount of any excess credit that remains after application of the credit under subsection (d) not later than December 31 of the final year to which the excess credit may be carried.

(f) The taxpayer is not required to file an application for a credit under subsection (c) or (d) or a refund under subsection (e).

(g) Before August 1 of each year, the county auditor shall provide to each taxing unit in the county an estimate of the total amount of the credits under subsection (c) or (d) that will be applied against taxes imposed by the taxing unit that are payable in the immediately succeeding year.

(h) The county auditor may refund a credit amount to a taxpayer before the time the credit would otherwise be applied against property tax payments under this section.

(i) The county auditor shall reduce the credit or refund payable to a taxpayer if:

- (1) the taxpayer files an amended personal property tax return more than six (6) months, but less than twelve (12) months, after the filing date or the extension date for the original property tax return being amended if the taxpayer is granted an extension under [IC 6-1.1-3-7](#); and
- (2) the taxpayer is entitled to a credit or refund as a result of the amended return.

The amount of the reduction is ten percent (10%) of the credit or refund amount.

*(Department of Local Government Finance; [50 IAC 16-7.1-1](#); filed Apr 27, 2016, 12:41 p.m.: [20160525-IR-050150166FRA](#))*

SECTION 6. [50 IAC 16-8-1](#) IS AMENDED TO READ AS FOLLOWS:

[50 IAC 16-8-1](#) Miscellaneous

Authority: [IC 6-1.1-31-10](#)

**Affected:** [IC 6-1.1-3](#)

Sec. 1. Notwithstanding the provisions of this article, an amended return remains subject to the review and adjustment of assessing officials under ~~[50 IAC 4.2-3](#)~~: [50 IAC 4.2-3.1](#).

(Department of Local Government Finance; [50 IAC 16-8-1](#); filed Mar 11, 1999, 5:05 p.m.: 22 IR 2486; filed Apr 27, 2016, 12:41 p.m.: [20160525-IR-050150166FRA](#))

SECTION 7. [50 IAC 16-7](#) IS REPEALED.

LSA Document #15-166(F)

Notice of Intent: [20150610-IR-050150166NIA](#)

Proposed Rule: [20151223-IR-050150166PRA](#)

Hearing Held: February 4, 2016

Approved by Attorney General: April 8, 2016

Approved by Governor: April 21, 2016

Filed with Publisher: April 27, 2016, 12:41 p.m.

Documents Incorporated by Reference: None Received by Publisher

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Posted: 05/25/2016 by Legislative Services Agency

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